

EXHIBIT A



management newsletter

MNL #601

August 7, 1996

BOARD OF TRUSTEES APPROVES PLAN CHANGES FOR MANAGEMENT EMPLOYEES

The Company's Board of Trustees approved changes in the Retirement Plan for Management Employees on July 23, 1996.

These changes, which are described in this newsletter, update the Retirement Plan summary plan description booklet dated July 1996. Information about Retirement Plan changes in this newsletter also serves as the summary of material modifications (SMM) required by the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The following change in the Retirement Plan was approved as of July 1, 1996:

- Parental Leave of Absence Credit

Employees who take a leave of absence on or after July 1, 1996 for up to six months for the birth or adoption of a child, will receive credit for up to six months for service (and vesting service) for each leave.

This change is added to the section titled "Service" on page 5 of the Retirement Plan booklet.

The following three changes go into effect for employees retiring on or after December 1, 1996:

- Level Income Payment Option:

Employees who retire before they are eligible for Social Security benefits can elect a Level Income

(over)

Option. Under this option, a higher pension amount is paid that includes an estimate of the employee's Social Security benefit. Employees may elect to receive this higher benefit from their retirement date to age 62 or 65. After reaching age 62 or 65, this pension amount is reduced to reflect the payment of Social Security benefits.

The following example shows a comparison between the monthly pension amount payable with and without the Level Income Option.

In this example, the employee is retiring at age 58 with 25 years of service and is eligible for a monthly pension of \$2,291 and an estimated annual cost of living adjustment (COLA) of 2.0%. The employee's estimated monthly Social Security at age 62 is \$1,104. (All figures are rounded to the nearest dollar.)

	With Level Income Option			Without Level Income Option		
Age	Monthly Pension	Monthly Soc. Sec.	Total	Monthly Pension	Monthly Soc. Sec.	Total
58	\$2,969	\$ 0	\$2,969	\$2,291	\$ 0	\$2,291
59	3,028	0	3,028	2,337	0	2,337
60	3,089	0	3,089	2,383	0	2,383
61	3,150	0	3,150	2,431	0	2,431
62	2,138	1,104	3,242	2,480	1,104	3,584

This example shows that an employee who elects the Level Income Option will receive a greater monthly pension at the start of his or her retirement at age 58, compared to the pension he or she would receive without the Level Income Option. At age 62, this monthly pension amount will decrease and will be combined with Social Security to achieve a level monthly income.

An employee who does not elect the Level Income Option will receive his or her regular monthly pension at age 58. At age 62, this monthly pension amount will be combined with Social Security benefits, which will increase his or her monthly income.

- Twelve Year Certain Option

The Ten Year Certain Option will be replaced by a Twelve Year Certain Option. An employee who elects this option will receive a reduced monthly benefit during his or her lifetime. If death occurs before 144 monthly payments have been made, the same benefit received by the employee is payable to his or her spouse, designated beneficiary or estate, until the end of the 144-month period.

The pension reduction for the Twelve Year Certain Option will be the same as for the Ten Year Certain Option.

- Addition of a 100% Joint and Surviving Spouse Annuity with "Pop-Up" Option

Instead of electing the Twelve Year Certain Option at retirement, a married employee can elect a 100% Joint and Surviving Spouse Annuity with an optional "Pop-Up" feature.

An employee who elects the 100% Joint and Surviving Spouse Annuity with a "Pop-Up" option will receive a reduced monthly benefit during his or her lifetime.

- . If a retiree dies before his or her spouse, the same benefit will continue to be payable to the spouse for life.
- . If a retiree's spouse dies before the retiree, the same benefit will continue to be payable to the retiree for life unless the retiree had elected the "Pop-Up" option. The "Pop-Up" feature restores the retiree's pension to the level that would have been paid before the reduction for the 100% Joint and Surviving Spouse Annuity.

The payment options shown above are added to the section titled "How Your Pension Is Paid", starting on page 24 of the Retirement Plan booklet.

The following change goes into effect January 1, 1997:

- Change in calculation of cash-outs

The method used to calculate cash-outs will change to eliminate the 5.5% interest rate and to conform with federal legislation

(over)

dealing with pensions under the General Agreement on Tariffs and Trade (GATT). The current calculation method uses the 1971 Towers Perrin Mortality Table and an interest rate of 5.5%, or the interest rate published by the Pension and Benefits Guaranty Corporation (PBGC), if lower.

Under GATT, the mortality table will change to a 1983 Group Annuity Mortality Table and the interest rate will be based on 30-year Treasury Securities.

Employees' cash-outs based on the 5.5% interest rate and the 1971 Towers Perrin Mortality Table will be grandfathered for benefits accrued as of December 31, 1996. At termination, employees eligible for a cash-out will receive the greater of the amount determined under GATT or the actuarial equivalent of the grandfathered benefit.

This change is added to page 23 of the Retirement Plan booklet.

Please insert the information shown above in the back pocket of your Retirement Plan booklet.

The Board of Trustees also has approved changes in the **Thrift Savings Plan for Management Employees:**

- **Additional Investment Options**

As of January 1, 1997, plan changes will be made that will include additional investment options. More information about investment options, plan changes and fees will be sent to employees in the fall.